

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 7022**

January 19, 2021

**SUMMARY OF BILL:** Requires the state to provide local education agencies (LEAs) an increase to the instructional salaries and wages category of the Basic Education Program (BEP), for salary increases for classroom teachers, without requiring a local match in FY20-21. Requires LEAs to use such funding for salary increases for classroom teachers.

Requires any appropriation for an increase to the instructional salaries and wages category of the BEP for FY21-22 be increased in comparison to the instructional salaries and wages category of the BEP in FY20-21 as it was on December 30, 2020. Requires LEAs to use any such increase for classroom teachers' salary increases.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$42,899,300/FY20-21**

Assumptions:

- During the first Extraordinary Session of the 112<sup>th</sup> General Assembly the following non-recurring state appropriations were proposed for the BEP for employee salary increases for teachers and other certified staff:
  - Beginning January 1, 2021, \$30,029,300; and
  - January 1, 2021 through June 30, 2021, \$12,870,000
- The total increase in state expenditures is estimated to be \$42,899,300 (\$30,029,300 + \$12,870,000) in FY20-21 for the funding of classroom teachers' salary increases.
- No local match is required for FY20-21.
- In the FY21-22, the state is required to increase funding to the instructional salaries and wages category of the BEP as compared to the funding level for the instructional salaries and wages of the BEP as of December 30, 2020.
- Any such increase, if any, is subject to further appropriation by the General Assembly.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive style with a large, stylized 'B' and 'S'.

Bojan Savic, Interim Executive Director

/ah